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19 December 1958

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Comments on Soviet Grain Production Statistics

1. On 15 December 1958, Khrushchev gave a report on agriculture to the Central Committee of the Communist Party of the Soviet Union. The speech gave absolute data on grain production in 1952, 1953, and 1958 and an annual average for 1949-1958 inclusive. This was the first time in about 20 years that there has been any announcement of absolute grain production for the whole USSR on a barn yield basis. I thought you might be interested in a comparison of these and certain other derived figures with estimates made by the Food and Agriculture Branch.

2. With the data given us in the Khrushchev speech, we can also develop claimed grain production figures for 1950, 1951, 1954, 1955, and 1956 by applying to the Khrushchev data an index which appeared in Narodnoye Khozyaystvo, USSR, 1956. We can develop a claimed figure for 1957 by using a relative given us in the 1957 plan fulfillment report. The results, together with M/AG estimates for the same years, are given below. I would like to note that each of the M/AG estimates was made shortly after the end of the crop year to which it applied, and is not second guessing based on later information, for until the Khrushchev speech we had no such information.

Grain Production in the USSR

(Million metric tons)

<u>Year</u>	<u>Soviet Claim</u>	<u>M/AG Estimate</u>
1950	82	85
1951	80	80
1952	92	92
1953	83	83
1954	86	87
1955	107	103
1956	129	115
1957	104	100
1958	139	123 (preliminary)

SUBJECT: Comments on Soviet Grain Production Statistics

3. Some fear has been expressed at times that M/AG estimates of Soviet grain production tend to be highly conservative, and that they probably understate the actual Soviet achievement. It will be noted, however, that except in 1956 and 1958, the M/AG estimates agree closely with Soviet claims.

4. In 1956 the difference between the Soviet claim and the M/AG estimate is more apparent than real. The situation in 1956 was a highly unusual one. We actually credit the USSR with a barn yield of 124 million tons, as compared with the Soviet claim of 129 million tons. In that year, however, the Soviets suffered extraordinary post-harvest grain losses because of the inability of the Soviets to handle the bumper harvest in the New Lands. We therefore reduced the 124 million tons to 115 million tons to allow for the extraordinary losses, and to make the 1956 estimate comparable with that of previous years. We are confident that substantial losses in fact occurred, and that Khrushchev's figure does not take them into account.

5. For 1958, the figure which M/AG has been prepared to accept up to now is some 15 million tons less than the claim made by Khrushchev. It must be said at the outset that the Khrushchev claim falls within the range of creditability; 1958 was a good agricultural year in the Soviet Union and we have stated on a number of occasions that the grain harvest would probably set a new record. Nonetheless, we would almost certainly have finally settled upon a figure lower than the one announced by Khrushchev and the Khrushchev claim must be considered surprising. For one thing, on 29 August, Mukhitdinov, Secretary of the Central Committee of the CPSU, stated that the USSR would have a grain harvest of "not less than" 131 million tons. Even with the "not less than" clause, it is quite unusual for the Soviets to make this conservative statement as late as the end of August about a harvest whose ultimate size is claimed to be 139 million tons. Moreover, subsequent to August, the usual boasting which accompanies a record harvest was conspicuously absent from the press. In addition, Soviet press articles during the harvesting season discussed the serious harvesting difficulties caused by unseasonal rainfall in the New Lands. Our own weather information establishes that there was in fact unseasonal rainfall which must have hampered the harvest. Prior to the occurrence of these weather difficulties, we were thinking in terms of a harvest of 130 million tons. Finally, in his speech, Khrushchev claimed an average corn yield for the USSR of about 35 bushels per acre in 1958. This compares with an average for the US for the years 1947 to 1956 (the decade having the highest corn yield in US history) of some 39 bushels per acre; during this period, the lowest US yield was 28.4 bushels per acre in 1947, and the highest 45.4 bushels per acre in 1956. In 1957 the US yield was 46.8 bushels per acre. In the light of these US statistics, the Soviet claim of an average yield of 35 bushels is considered highly suspect. Because of their lack of a corn belt

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SUBJECT: Comments on Soviet Grain Production Statistics

comparable to ours, and their lack of suitable hybrid corn, the Soviets should certainly not be doing as well relative to us as the Khrushchev claim implies. According to Soviet sources, the only corn production data included in the over-all grain production index is that for ripe ears and immature emilled ears converted to a grain base. We have reason to wonder, however, in the light of the relatively high Soviet claim, whether the conversion is made accurately and whether the Soviets might not also be including corn in the form of green fodder.

6. This means that we must do considerably more thinking about the 1958 harvest claim. All we can do at the present time is to present the comparative figures for 1958 shown above and to suggest some of the reasons why we are uneasy about the Soviet claim.

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